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C O N F I D E N T I A L SECTION 01 OF 03 BERLIN 000520

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SUBJECT: GERMAN PRESIDENCY SEES CLIMATE/ENERGY AND PROGRESS  
ON CONSTITUTION AS TOP PRIORITIES

REF: A. BRUSSELS 809

[1](#)B. BERLIN 519

[1](#)C. BERLIN 479

Classified By: DCM John M. Koenig for reasons 1.4 (b) and  
(d).

[1](#)1. (C) Summary: Chancellor Merkel has identified energy/climate change and progress on an EU constitution as her top priorities for the remainder of Germany's EU presidency, according to officials in the Chancellery and MFA. The German government believes the EU's consensus position has laid the groundwork for discussion on energy/climate in the G-8 context. To that end, Germany would like to use EU summits with the United States, Russia, Canada, and Japan to identify common positions in the run-up to Heiligendamm. Chancellery and MFA officials expressed concern about the status of discussions on energy/climate for the U.S.-EU Summit, saying Merkel would like deliverables to entail much more than the energy cooperation projects currently under discussion. The German government is optimistic about prospects for reaching consensus by late 2007 on individual country plans on renewable energy usage. The officials described the state of play on the "Berlin Declaration" and plans for moving ahead with the EU constitutional process. They also previewed Chancellor Merkel's March 16 visit to Poland and briefly described current EU dealings with Russia. End Summary.

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Looking Ahead on Energy/Climate Change  
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[1](#)2. (C) According to Deputy National Security Advisor Rolf Nikel, Chancellor Merkel has identified climate change as her top priority for Germany's EU and G-8 presidencies following what she sees as successful outcomes on energy/climate at the March 8-9 European Council meeting. Merkel believes demonstrable progress on climate change will build public support for the EU and make its institutions more relevant to the average European. She also sees the issue as a winner domestically because it will allow the CDU/CSU to claim ownership of an issue that has long been driven by the SPD and the Greens. Peter Schoof, MFA Office Director for EU Affairs, told us Germany and the EU take a great deal of pride in their energy/climate goals and view them as an

example of EU (and German) leadership on the world stage. Merkel feels the EU now has ownership on the issue. She is reportedly willing to invest considerable political capital in achieving similar commitments at the G-8 Heiligendamm Summit. Schoof pointed out that Merkel decided against putting "binding global goals," such as a two degree Celsius limit above pre-industrial levels, on the table in Brussels. He said the Chancellor decided instead to focus on goals leaders thought the EU could actually achieve.

¶3. (C) According to Chancellery Special Advisor on European Relations Nikolaus Meyer-Landrut, the agreement reached by the EU Council lays the foundation for further discussion of energy/climate issues in the G-8 context, as well as in the separate EU summits with the United States, Russia, Japan, and Canada (all are scheduled to take place before Heiligendamm). Schoof said the EU's consensus on energy/climate will enable Merkel to sound out the four non-EU members of the G-8 on what they are prepared to do on energy/climate and on possibilities for a common position on energy and climate change. Merkel hopes the G-8 Heiligendamm Summit itself will lend momentum to discussion on climate change in the UNGA and, subsequently, at the UNFCCC Conference of the Parties (COP 13) in Bali in December 2007.

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Concern on U.S.-EU Energy/Climate Deliverables  
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¶4. (C) Chancellery and MFA officials continue to express concern about the state of discussions on energy/climate deliverables for the April 30 U.S.-EU Summit. According to Meyer-Landrut, the Chancellery is satisfied with ongoing discussions on economic and political deliverables, but

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remains surprised (and concerned) that there has been "no real discussion" on energy/climate issues. Nickel made clear Merkel expects much more than the energy cooperation projects outlined in current draft paper on the transatlantic economic relationship. Meyer-Landrut reiterated the German understanding that the President and Merkel agreed in January to establish a working group (similar to the ongoing NSC-Chancellery-Commission dialogue on the transatlantic economic relationship) and said the Chancellery was interested in beginning more detailed discussions on the substance of energy/climate deliverables as soon as possible.

He also suggested the discussion should involve more than just energy cooperation projects. He stressed the Chancellor views energy/climate as a "stand-alone topic" for the U.S.-EU Summit, and suggested the text agreed at the Gleneagles G-8 Summit demonstrates the United States and the EU have the ability to reach consensus on language. He said the EU does not necessarily see a need to mention Kyoto, but is looking for constructive input on how to deal with climate change beyond 2012.

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Commission's Approach on Renewables  
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¶5. (C) On the EU Council compromise on overall binding targets on renewable energy usage (ref A), Meyer-Landrut said the decision to defer agreement on individual country allocation plans until late 2007 is consistent with the usual EU process and obligates member states to undertake serious negotiations with the Commission. Placing the process in the hands of the Commission effectively gives Barroso an overriding purpose for the first time since he took over the Commission and a goal that also resonates with the European public, Meyer-Landrut said. Schoof stressed the Commission will not simply impose allocation plans on individual countries. Instead, the Commission will develop proposals based on the principles established in the Council Conclusions and work to reach consensus through consultations with individual member states. Schoof expressed pleasure

that the nuclear issue had been "solved," hinting that mention of Lebanon in the Council Conclusions helped sweeten the deal for the French.

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Berlin Declaration  
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¶6. (C) Meyer-Landrut said Merkel was pleased with the leaders' discussion on the Berlin Declaration to mark the 50th anniversary of the Treaty of Rome. He noted the Chancellery has been tasked with drafting the declaration. Merkel, who will be deeply involved in the process, has a good sense of what the 27 leaders would like to see. Meyer-Landrut reiterated the Chancellor's interest in finding language that resonates with the broader public. He speculated the text would not call for an end to enlargement, but would also make clear that the EU's future depends on successful implementation of reforms and ensuring it maintains a state of preparedness. The declaration will contain five components: a review of the EU's historical success, including a nod to the new EU members' fight for freedom; common characteristics; shared values; challenges and opportunities ahead; and the need for strategies to implement institutional reforms before 2009. Without explicitly mentioning the constitution, the text will emphasize a shared commitment to making the EU "exercise" work.

¶7. (C) Schoof credited the February round of bilateral discussions between Berlin and EU capitals with developing the basic outline presented by the Chancellor in Brussels. Based on the general consensus reached in Brussels, Schoof said, the Chancellor had dropped plans for a second round of meetings. Instead, textual difficulties will be resolved as they arise through a process of informal consultations. Schoof said EU leaders should not have to spend time drafting text when they meet. The Declaration will be signed by Poettering, Merkel, and Barroso, as the other leaders look on. If necessary, Schoof said, Merkel is prepared to

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intervene with individual leaders between now and the Berlin Summit.

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Constitutional Process  
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¶8. (C) Schoof said achieving consensus on a roadmap for the constitution will be the primary German objective for the June European Council meeting. The Chancellery will take the lead, while the MFA focuses on redefining the European Neighborhood Policy (ENP) and a new Central Asia strategy. Other deliverables would include JHA issues and an EU-wide migration policy, because Merkel wants to prove the EU can deliver on issues of popular concern. On the constitution, Schoof said the next organized round of bilateral "sherpa" consultations will take place in April in Berlin. Depending on the outcome of the French elections, a larger meeting of Foreign Ministers or State Secretaries might be necessary. By the end of its presidency, Schoof stated, Germany hopes to achieve consensus on three issues: a process to advance work on the constitution (most likely an Inter-Governmental Conference, IGC); a timeline; and a definition for the scope of the IGC's work, specifically agreement on how much of the draft constitution will be open for discussion. Schoof said Germany envisions reaching consensus on a text by the end of the Portuguese presidency and signing a "Treaty of Ljubljana" during the Slovenian presidency followed by ratification under the French presidency.

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Merkel's Visit to Poland / EU-Russia PCA  
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¶9. (C) In addition to a speech at Warsaw University, Meyer-Landrut said, Chancellor Merkel's March 16 visit will include a private meeting with President Lech Kaczynski. Merkel plans to use the discussion to strengthen her personal relationship with Kaczynski to build confidence and mutual trust. She will also focus on the fundamentals of European integration and how European solidarity requires member states be willing to make concessions in order to reach consensus. Meyer-Landrut -- who was in Brussels with the Chancellor -- noted Prime Minister Jaroslaw Kaczynski seemed more easy-going and positive than usual, speculating that he might be beginning to "soften his position." Schoof was less optimistic about the prospects for Merkel's visit, noting that Germany's EU presidency is ill-timed from the perspective of German-Polish relations -- the Kaczynski's distrust of Germany had caused them to be more suspicious of Brussels. Schoof said Poland presents the biggest obstacle to progress on the constitution. Nikel described the visit as an important "investment in atmosphere" between Germany and Poland. He noted that the Chancellery finds it easier to work with Lech Kaczynski than with his brother. At this stage, the sides have not been able to find an agreeable time for a meeting between Merkel and the Polish PM.

¶10. (C) On a mandate to negotiate a new Partnership and Cooperation Agreement (PCA) with Russia, Schoof said it seems Russia is toying with the EU, since the Commission believes the issue of the Russian ban on Polish meat exports has been settled. The Commission is still waiting for Russia to acknowledge the settlement. Schoof believes resolution of the meat issue would allow the opening of the PCA, since no other member state will be willing to block consensus. He expects a breakthrough is possible before June's European Council meeting.

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